

between the years 1895 and 1899 yielded bullion to the value of £240,000. A step-fault system has been recently penetrated to the 300 ft. level, and the lode, although showing blotches of gold in places, is thin and as yet not payable. The prospecting operations are very interesting.

At the Waihi Mine sinking operations in No. 4 shaft attained a depth of 1,600 ft. The deepest mining was carried on at No. 12 (1,447 ft.) level, east of No. 4 shaft on the Dreadnought lode, for a distance of 391 ft. The ore-values were payable. East of the Dreadnought lode the Empire lode was intersected by a crosscut; the lode was split up and variable in value, although generally low. In the west crosscut to No. 2 shaft the Edward lode was intersected, having very low value. In the annual report of the Waihi Gold-mining Company it is estimated that at the end of 1920 the ore reserve amounted to 523,830 tons (short), of an average value of £1 11s., which ore could be worked in the ordinary course of mining. There was also a further reserve of 254,740 tons of ore in pillars and arches, of an average value of £1 18s. per ton. The average value of ore treated declined from £1 17s. 9d. during 1919 to £1 12s. 10d. during 1920.

At the Waihi Grand Junction Mine the pumping compartment of the main shaft has attained a depth of 1,473 ft., the water-temperature at the bottom being 95° F. The deepest mining was carried on at No. 8 (1,320 ft.) level on the Empire lode, the values being moderate. The average value of ore treated declined from £1 15s. 3d. during 1919 to £1 13s. 11d. during 1920.

At Muir's Gold Reefs, Te Puke, development in levels and by winze above the water-level has proved encouraging. Early in the year the mill was destroyed by fire, but a 20-head mill was forthwith purchased, which it is proposed to operate by electric power.

At the Blackwater Mine the main shaft was continued to a depth of 1,690 ft., the deepest mining operations being at No. 9 level, both north and south. The most favourable development occurred in the southern section.

At the New Big River Mine development was practically confined to winzing below the bottom No. 11 (1,775 ft.) level. The results were satisfactory.

In Otago only one small gold-quartz mine was productive, but a small quantity of gold was obtained from a gold-scheelite mine at Macrae's.

During the early part of the current year James Hurley, a Government subsidized prospector, found an outcrop of a quartz lode on a ridge near the Alexander Stream, a tributary of the Big Grey River. Considerable attention was drawn to this discovery by grossly exaggerated reports in the local Press. Subsequent examination by Mr. P. G. Morgan, Director of Geological Survey, proved that the lode, as exposed in trenches for a length of less than 100 ft., averaged 5 ft. 1½ in. in width, and contained an average assay value of £1 7s. 2d. per ton. No other prospecting-work than the trenching referred to had been done, and the lode remains a mere prospect.

The following is a statement showing the tons of ore treated, the value of bullion produced, and the amount of dividends paid by quartz-mining companies in each of the inspection districts during the years 1920 and 1919:—

Inspection District.	Statute Tons of Ore treated.		Value of Bullion.		Dividends paid (by Registered Companies only).	
	1920.	1919.	1920.	1919.	1920.	1919.
	£	£	£	£	£	£
Northern .. ..	194,316	226,614	325,854	475,999	99,181	116,431
West Coast .. ..	37,592	58,937	89,333	97,712	1,800	2,400
Southern .. ..	145	506	681	310	..	..
Totals .. ..	232,053	286,057	415,868	574,021	100,981	118,831

The average value per ton of ore treated during 1920 amounted to £1 15s. 10d.

The following is a statement of the production, dividends declared, and the number of persons employed by the principal gold-quartz mining companies during 1920:—

Name of Company.	During 1920.			Dividends paid.		Number of Persons ordinarily employed during 1920.
	Quantity of Quartz treated.	Value of Bullion.	Average Value per Ton.	1920.	Total to End of December, 1920.	
Northern District—	Statute Tons.	£	£ s. d.	£	£	
Waihi Gold-mining Company (Limited) ..	142,239	233,466	1 12 10	99,181	5,437,238	531
Waihi Grand Junction Gold-mining Company (Limited)	51,294	86,960	1 13 11	..	267,064	296
West Coast District—						
Blackwater Mines (Limited) .. ..	24,468	58,887	2 8 1	..	174,994	108
New Big River Gold-mining Company (Limited)	2,970	14,333	4 16 6	1,800	105,000	31
Progress Mines of New Zealand (Limited) ..	8,102	13,571	1 13 6	..	326,562	43
Other quartz-mines throughout New Zealand ..	2,980	8,651	2 18 0	..	..	373
Totals .. ..	232,053	415,868	1 15 10	100,981	..	1,382